

FTX Creditor: FANGMIN YE
Email: 13484041876@163.com
Unique Customer Code: 153491
Location: China
Date: July 7, 2025

FANGMIN YE
叶芳敏

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US BANKRUPTCY COURT
DISTRICT OF DELAWARE

Honorable Judge Karen B. Owens
United States Bankruptcy Court
District of Delaware
824 North Market Street, 3rd Floor
Wilmington, Delaware 19801
USA

Re: Objection to the Designation of China as a "Restricted Foreign Jurisdiction"
In re: FTX Trading Ltd., et al., Case No. 22-11068 (KBO)

Dear Judge Owens:

**OBJECTION TO MOTION OF FTX RECOVERY TRUST TO IMPLEMENT
RESTRICTED JURISDICTION PROCEDURES**

Submitted by: FANGMIN YE, Tax Resident of Hong Kong and Mainland China,
FTX Creditor

FANGMIN YE
叶芳敏

I. Introduction

I strongly object to the motion filed by the FTX Recovery Trust (the "Trust") seeking to designate China as a "Restricted Foreign Jurisdiction" and thereby withhold distributions to creditors residing there. Since this bankruptcy commenced more than two years ago, I have fully participated in every procedural step, timely submitted my proof of claim, exercised my voting rights, and awaited distribution under the confirmed Plan.

II. Background

1. **Creditor Participation.** Since the bankruptcy case was initiated more than two years ago, I have participated in every stage of the proceedings—completing KYC verification, submitting claim applications, participating in votes on the claims plan, and so on.
2. **Plan Framework.** The confirmed Plan values and distributes creditor claims in U.S. Dollars via wire transfer or licensed payment agents. It makes no reference to withholding funds based on a creditor's country of residence.

III. Argument

A. U.S. Dollar Distributions to Chinese Creditors Are Lawful

1. **No Prohibition on Holding USD.** Chinese law does not prohibit private citizens from holding U.S. Dollars. Individuals may open foreign currency accounts abroad and receive wire transfers without violating exchange control regulations. Confiscating a Creditor's rights without their consent is undoubtedly an infringement of private property rights and cannot be permitted.
2. **Established Payment Channels.** The Trust has already engaged global payment platforms (e.g., Kraken, BitGo) to facilitate fiat distributions. Chinese recipients can lawfully receive USD wires via Hong Kong or other offshore accounts.

B. Recognition of Crypto Assets under Chinese Law

1. **Legal Status of Cryptocurrencies.** Chinese courts have repeatedly held that Bitcoin, Ethereum, and other virtual assets constitute lawful private property under the Civil Code.
2. **Prior Precedents.** In both the Mt. Gox and Celsius Network bankruptcies, Chinese creditors successfully received BTC, BCH, and USD via Kraken and international wire transfers, with no form of nationality-based restriction.

C. Nationality-Based Restrictions Violate Principles of Equity

1. **Equal Treatment Mandate.** Fundamental bankruptcy principles require that similarly situated creditors be treated equally. Denying distributions solely on the basis of nationality constitutes impermissible discrimination.
2. **Reliance and Estoppel.** Chinese creditors relied on the Plan's uniform distribution terms when voting to confirm it. To now withhold our recoveries disrupts settled expectations and undermines the integrity of this Court's confirmed Plan.

IV. Conclusion and Prayer for Relief

For all the reasons stated above, this motion to designate China as a "Restricted Foreign Jurisdiction" is unsupported by fact or law, arbitrarily discriminates against an entire class of creditors, and should be denied in its entirety. I respectfully request that the Court:

1. Deny the Trust's motion in full;
2. Order the Trust to proceed with USD distributions to Chinese creditors in accordance with the confirmed Plan;
3. Grant such other and further relief as the Court deems just and proper.

Respectfully submitted,

FTX Creditor: FANGMIN YE
Email: 13484041876@163.com

FANGMIN YE
WJ

Unique Customer Code: 153491

Location: China

Date: July 7, 2025

CERTIFICATE OF SERVICE

I, FANGMIN YE, hereby certify that on July 7, 2025, I caused a copy of the foregoing Objection to the Motion of the FTX Recovery Trust to Implement Restricted Jurisdiction Procedures to be served via electronic mail upon the following parties:

Sullivan & Cromwell LLP

- James L. Bromley – bromleyj@sullcrom.com
- Alexa J. Kranzley – kranzleya@sullcrom.com
- Andrew G. Dietderich – dietdericha@sullcrom.com
- Brian D. Glueckstein – gluecksteinb@sullcrom.com

Landis Rath & Cobb LLP

- Adam G. Landis – landis@lrclaw.com
- Kimberly A. Brown – brown@lrclaw.com
- Matthew R. Pierce – pierce@lrclaw.com

U.S. Trustee Office

- Juliet M. Sarkessian – juliet.m.sarkessian@usdoj.gov
- Benjamin A. Hackman – benjamin.a.hackman@usdoj.gov
- David Gerardi – david.gerardi@usdoj.gov

I certify under penalty of perjury that the foregoing is true and correct.

FTX Creditor: FANGMIN YE *FANGMIN YE*
Email: 13484041876@163.com *叶芳敏*
Unique Customer Code: 153491
Location: China
Date: July 7, 2025

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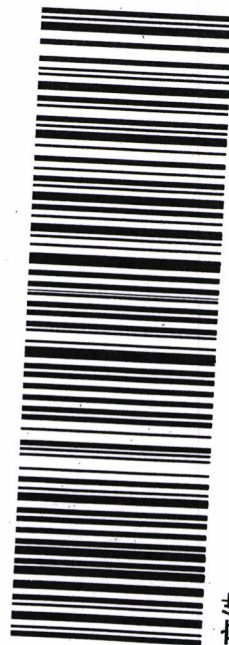
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